

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Road, Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-141

Revised June 10, 2003

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit 2 Copies to appropriate

District Office in accordance

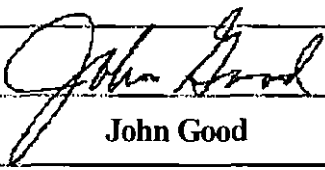
with Rule 116 on back

side of form.

Release Notification and Corrective Action

☒ Initial Report ☒ Final Report

30-015-26001
 NM 0500428709 OPERATOR

Name of Company Merit Energy Corporation			Contact Gene Brookshire		
Address P.O. Box 69			Telephone No. 505-420-5497		
Facility Name Poly Flowline west of B4 Battery			Facility Type Poly Flowline		
Surface Owner BLM		Mineral Owner BLM		Lease No.	
LOCATION OF RELEASE					
Unit Letter F	Section 10	Township 17S	Range 31E	Feet from South Line	Feet from West Line
				Longitude-W	Latitude-N
				County Eddy	
NATURE OF RELEASE					
Type of Release Crude Oil			Volume of Release <5 bbl		Volume Recovered ~3 bbl
Source of Release Poly flowline			Date and Hour of Occurrence 12/28/04 10:30 AM		Date and Hour of Discovery 12/28/04 11:00 AM
Was Immediate Notice Given? <input type="checkbox"/> YES <input type="checkbox"/> NO <input checked="" type="checkbox"/> Not Required			If YES, To Whom?		
By Whom?			Date and Hour		
Was a Watercourse Reached? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO			If YES, Volume Impacting the Watercourse NA		
If a Watercourse was Impacted, Describe Fully*					
Describe Cause of Problem and Remedial Action Taken. *					
Loss of integrity in poly flowline. <5-bbl release, vacuum truck recovered 3-4 bbl.					
Describe Area Affected and Cleanup Action Taken. *					
Majority of contaminant release went onto road right-of-way. Contaminated soil removed with backhoe (small amount near release point was removed manually), blended and stockpiled east of the B4 Battery location. Will be utilized in future as berm repair material.					
I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.					
Signature: 			OIL CONSERVATION DIVISION		
Printed Name: John Good			Approved by District Supervisor: <i>T. Gurn</i> by <i>Mike Beatch</i>		
Title: Consultant - SESI			Approval Date: <i>1/4/05</i>		Expiration Date: <i>N/A</i>
E-Mail Address: ballen@sesi-nm.com			Conditions of Approval:		<input type="checkbox"/> Attached
Date: 12/29/2004 Phone: 505-397-0510			<i>N/A</i>		

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Santa Fe, NM 87505

RECEIVED

JAN 04 2005

OCC-ARTESIA

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District Office in accordance

with Rule 116 on back
side of form.

Release Notification and Corrective Action

30-015-26001

n MLR 0500428709 OPERATOR

☒ Initial Report ☒ Final Report

Name of Company	Merit Energy Corporation		Contact	Gene Brookshire
Address	P.O. Box 69	Loco Hills, NM 88255	Telephone No.	505-420-5497
Facility Name	Poly Flowline west of B4 Battery		Facility Type	Poly Flowline

Surface Owner	BLM	Mineral Owner	BLM	Lease No.
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from South Line	Feet from West Line	Longitude-W	Latitude-N	County
F	10	17S	31E					Eddy

NATURE OF RELEASE

Type of Release	Volume of Release	Volume Recovered
Crude Oil	<5 bbl	~3 bbl
Source of Release	Date and Hour of Occurrence	Date and Hour of Discovery
Poly flowline	12/28/04 10:30 AM	12/28/04 11:00 AM
Was Immediate Notice Given?	If YES, To Whom?	
<input type="checkbox"/> YES <input type="checkbox"/> NO <input checked="" type="checkbox"/> Not Required		
By Whom?	Date and Hour	
Was a Watercourse Reached?	If YES, Volume Impacting the Watercourse	
<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	NA	

If a Watercourse was Impacted, Describe Fully*

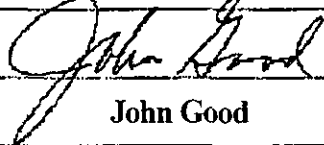
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Signature:			OIL CONSERVATION DIVISION	
Printed Name:	John Good		Approved by District Supervisor:	
Title:	Consultant - SESI		Approval Date:	Expiration Date:
E-Mail Address:	ballen@sesi-nm.com		Conditions of Approval:	
Date:	12/29/2004	Phone:	505-397-0510	<input type="checkbox"/> Attached

